

COASTAL CONSERVANCY

Staff Recommendation  
February 13, 2025

**SOUTH BAY SALT POND RESTORATION PROJECT PHASE 2:  
MOUNTAIN VIEW IMPLEMENTATION - AUGMENTATION**

Project No. 02-070-05  
Project Manager: Laura Cholodenko

**RECOMMENDED ACTION:** Authorization to disburse up to \$2,700,000 to Ducks Unlimited, Inc. to augment Conservancy funding previously authorized for the restoration of tidal marsh and creation of public access at the Mountain View Ponds (Ponds A1 and A2W), as part of Phase 2 of the South Bay Salt Pond Restoration Project in Santa Clara County.

**LOCATION:** San Francisco Bay Shoreline in Santa Clara County

---

EXHIBITS

- Exhibit 1: [Project Location Map](#)
  - Exhibit 2: [April 18, 2024 Staff Recommendation](#)
  - Exhibit 3: [Restoration Designs](#)
  - Exhibit 4: [June 1, 2023 Staff Recommendation](#)
  - Exhibit 5: [May 16, 2016 Staff Recommendation](#)
- 

**RESOLUTION AND FINDINGS**

Staff recommends that the State Coastal Conservancy adopt the following resolution and findings.

Resolution:

The State Coastal Conservancy hereby authorizes a grant of an amount not to exceed two million seven hundred thousand dollars (\$2,700,000) to Ducks Unlimited, Inc. (the “grantee”) to augment Conservancy funding previously authorized for the restoration of tidal marsh and creation of public access at the Mountain View Ponds (Ponds A1 and A2W) (the “project”), as part of Phase 2 of the South Bay Salt Pond Restoration Project in Santa Clara County.

Prior to commencement of the project, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

*SOUTH BAY SALT POND RESTORATION PROJECT PHASE 2: MOUNTAIN VIEW IMPLEMENTATION  
-AUGMENTATION*

---

1. A detailed work program, schedule, and budget.
2. Names and qualifications of any contractors to be retained in carrying out the project.
3. A plan for acknowledgement of Conservancy funding and Proposition 68 as the source of that funding.
4. Evidence that all permits and approvals required to implement the project have been obtained.
5. Evidence that the grantee has entered into agreements sufficient to enable the grantee to implement, operate, and maintain the project.
6. Prior to commencing the project, the grantee shall enter into and record an agreement pursuant to Public Resources Code 31116(d) sufficient to protect the public interest in the improvements.

Findings:

Based on the accompanying staff recommendation and attached exhibits, the State Coastal Conservancy hereby finds that:

1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, regarding the San Francisco Bay Area Conservancy Program.
2. The proposed project is consistent with the current Conservancy Project Selection Criteria.
3. Ducks Unlimited, Inc. is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code.

---

## **STAFF RECOMMENDATION**

### **PROJECT SUMMARY:**

Staff recommends the Conservancy authorize disbursement of up to \$2,700,000 to Ducks Unlimited, Inc. (DU) to augment Conservancy funding previously authorized for the restoration of tidal marsh and creation of public access at the Mountain View Ponds (Ponds A1 and A2W) (the “project”), as part of Phase 2 of the South Bay Salt Pond Restoration Project in Santa Clara County (Exhibit 1). The project will result in approximately 710 acres of restored tidal marsh habitat and 1.2 mile of San Francisco Bay Trail spur with three viewing areas. The construction activities to be implemented with this authorization are generally described in Exhibit 2.

Construction at Pond A2W started in 2021. Work done to date includes repair and improvement of a long section of levee that was eroding, improvements to PG&E infrastructure in the pond, construction of a ramp that provides equipment access to the pond bottom, and stockpiling of 150,000 cubic yards of sediment. Most of the sediment brought to the site will be graded in 2025 to create a wetland-to-upland transition slope (habitat transition zone) along the closed landfill levee, which is part of the shoreline of Pond A2W and A1 (Exhibit 3). The remaining sediment will be moved and placed within a few areas of the pond to create nesting islands for birds. Approximately 80,000 cubic yards of the sediment was brought to Pond A2W

*SOUTH BAY SALT POND RESTORATION PROJECT PHASE 2: MOUNTAIN VIEW IMPLEMENTATION  
-AUGMENTATION*

---

for free from upland construction sites while the remaining 70,000 cubic yards was purchased. Because all the sediment needed for the Pond A2W component is now on site, this authorization will result in completed construction for Pond A2W by December 2025 or early in 2026.

In July 2024, DU completed a revised design for the Pond A1 component (Exhibit 3). The design now excludes the Coast Casey Forebay levee (see discussion in Exhibit 4) and includes erosion protection above the upper extent of the habitat transition zone. The City of Mountain View has determined that slope protection is necessary to prevent erosion along its closed landfill when Ponds A1 and A2W are opened to the tides. The Conservancy and the City completed a cost-share agreement for the erosion protection and other features on the City's property at Pond A2W (see Exhibit 4) and are now preparing a cost share agreement for the erosion protection feature on the City's property at Pond A1. In November 2024, the City issued DU a permit that will allow DU to import sediment to Pond A1 by transporting it via truck using the road that passes through the City's Shoreline Regional Park. To the extent that funds are available, this authorization will advance construction at Pond A1.

Costs to complete the project have increased since they were originally estimated in May 2016 as \$18,065,118 (see Exhibit 5). The April 2024 staff recommendation indicated that the estimated project cost had increased to \$20,673,263. Although the project has realized some cost savings associated with eliminating the Coast Casey levee improvements, the estimated project cost is now \$32,373,263. Costs increased due to a variety of factors, including increases in the price of construction materials, the need to purchase more sediment than anticipated in June 2023, and the inclusion of rock slope/erosion protection above the habitat transition zone of Ponds A1 and A2W, as described above. The original funding gap of \$7 million to complete construction of the project has increased to \$9 million.

**SITE DESCRIPTION AND GRANT APPLICANT QUALIFICATIONS**

See Site Description and Grant Applicant Qualifications descriptions in Exhibit 4.

**CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA**

The proposed project remains consistent with the Conservancy's Project Selection Criteria, last updated on September 23, 2021, as described in the June 1, 2023, staff recommendation (Exhibit 4).

**PROJECT FINANCING**

Coastal Conservancy (this authorization)	\$2,700,000
Coastal Conservancy (April 2024 authorization)	\$1,500,000
Coastal Conservancy (June 2023 authorization)*	\$7,000,000
Coastal Conservancy (May 2016 authorization)	\$1,000,000
San Francisco Bay Restoration Authority	\$2,000,000
US EPA	\$1,500,000
California Department of Water Resources (May 2016 authorization)	\$4,681,318

*SOUTH BAY SALT POND RESTORATION PROJECT PHASE 2: MOUNTAIN VIEW IMPLEMENTATION  
-AUGMENTATION*

---

U.S. Fish and Wildlife Service (May 2016 authorization)	\$951,260
Pacific Gas and Electric Company (May 2016 authorization)	\$40,685
USFWS	\$2,000,000
<i>Additional Funding to be Raised</i>	<u><i>9,000,000</i></u>

\*The June 2023 authorization stated that \$5 million of the \$7 million would go to Eden Landing, but because of delays on the Eden Landing work, the whole \$7 million authorization will be used for the work at the Mountain View ponds described in this staff recommendation.

**Total Costs** **\$32,373,263**

Conservancy funds for the project are anticipated to come, in part, from the “Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006” (Proposition 84, Public Resources Code (PRC) Sections 75001, et seq.). This funding source may be used for the protection of beaches, bays and coastal waters, including projects that protect and restore the natural habitat values of coastal waters, pursuant to the Conservancy’s enabling legislation, Division 21 of the Public Resources Code (PRC). Consistent with Proposition 84, the project will restore tidal marsh habitat that supports native wildlife. Proposition 84 also requires that for restoration projects, priority is given to projects that meet at least one of the criteria specified in PRC Section 75071(a)-(e). The proposed project meets criteria (b) because it will contribute to the long-term protection of and improvement to the water and biological quality of the San Francisco Bay Watershed.

The project is also expected to use funds that derive from the California Drought, Water, Parks, Climate, Coastal Protection and Outdoor Access for All Act of 2018 (Proposition 68, PRC Sections 80100 et seq.). Chapter 9 allocates funds to the Conservancy for “protection of beaches, bays, wetlands, or coastal watershed resources.” (PRC Section 80120(c)). The proposed project is consistent with this funding because it will restore hundreds of acres of tidal marsh habitat and will improve access to public open-space areas.

Finally, the project is expected to use funds from a Fiscal Year 2022/23 appropriation from the General Fund to the Conservancy for the purpose of “urgent sea level rise adaptation and coastal resilience needs using nature-based solutions or other strategies (The Budget Act of 2022, SB 154 as amended by the Budget Act of 2023, SB 101). The project qualifies for use of these funds because it will restore tidal marsh habitat with adjacent habitat transition zones that are resilient to the effects of sea level rise and will provide shoreline protection for infrastructure and communities.

Unless specifically identified as “Required Match,” the other sources of funding and in-kind contributions described above are estimates. The Conservancy does not typically require matching funds or in-kind services, nor does it require documentation of expenditures from other funders or of in-kind services. Typical grant conditions require grantees to provide any funds needed to complete a project.

**CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION AND STRATEGIC PLAN**

The proposed project remains consistent with the Conservancy's Enabling Legislation as described in the June 1, 2023, staff recommendation (Exhibit 4).

**CEQA COMPLIANCE:**

The Mountain View Ponds Project was evaluated as part of the Final Environmental Impact Statement/Report, Phase 2 South Bay Salt Pond Restoration Project, April 2016 (Final Phase 2 EIS/R). The Conservancy made findings based on the Final Phase 2 EIS/R at its May 16, 2016 meeting as part of an authorization that provided construction funding for the Phase 2 projects at Alviso and Ravenswood. The project remains consistent with the Final Phase 2 EIS/R and there are no changed circumstances or new information that require additional CEQA documentation for these actions.